HOUSE OF COMMONS
CHAMBRE DES COMMUNES
CANADA

**House of Commons Standing Committee on Finance – Pre-budget Consultations 2013**

**This brief is submitted by:**

○ **an organization** **Organization name:** _____

**or**

◉ **an individual** **Name:** B.J. White

**Topic:** Federal budgets and the public service

## *Recommendation 1: Please provide a short summary of your recommendation.

CUT ADVERTISING AND TRAVEL. Private sector companies facing difficult financial times cut "discretionary" spending. Advertising can be necessary, but must be evaluated to make sure it provides value. Recent reports show the economic action plan advertising, originally purposeful, isn't anymore. Reduce the advertising budget by the amount spent on these ads. Flying in re- or newly-minted ministers following the Cabinet shuffle cost $50,000-$100,000. Proportionally small, this was unnecessary as swearing in could be done by Skype and formal pictures could be taken when the House was sitting.

**Expected cost or savings:** From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$1 million-4.9 million

Immediately

**Federal funding:** Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

No funding required.

**Intended beneficiaries:** Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

All taxpayers. Ad companies would lose a bit in the short term, but the offsetting gain for taxpayers - and importantly future taxpayers to whom we should not shift short-term costs - will be significant. Just as the compounding of interest for savers is good, the negative compounding of interest on debt for current consumption hurts the next generation.

**General impacts:** Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Basic economics, and self-evident to everyone who endured higher taxes and slower growth in the late 1980s and 1990s due to accumulated debt. And what we saw in the 2000s - growth, jobs, training opportunities and a continued high standard of living - was due to Canada's having paid down debt and having greater fiscal flexibility. I remember a budget report by a previous Finance Committee under Don Blenkarn, expressing disappointment with the quality and smallness of pre-budget recommendations (presumably including mine re cutting paper). I guess they didn't get that EVERY LITTLE BIT HELPS.

**Topic:** Federal budgets and the public service

## Recommendation 2: Please provide a short summary of your recommendation.

REDUCE PAPER. Save preparers/readers time; cut paper, printing, shipping costs by shortening the budget. A large portion repeats past budgets. DON'T change government department names until the debt-to-GDP ratio falls below 30%, e.g., don't change Human Resources and Social Development Canada to Employment and Social Development, wasting money on re-designing brochures, letterhead, branding and causing confusion. Unless for foreign dignitaries or to honour Canadians, Ministers and all parts of government should cease sending all non-confidential communication by letter in response to emails.

**Expected cost or savings:** From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$500,000-999,999

1 year

**Federal funding:** Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

No funding required.

**Intended beneficiaries:** Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

All taxpayers. Paper companies would lose a bit, however, it would be offset by environmental gains and benefit taxpayers. Just as the compounding of interest for savers is good, the negative compounding of interest on debt for current consumption hurts the next generation.

**General impacts:** Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Basic economics, and self-evident to everyone who had to endure higher taxes and slower growth in the late 1980s and 1990s due to accumulated debt. And what we saw in the 2000s - growth, jobs, training opportunities and a continued high standard of living - was due to Canada's having paid down debt and having greater fiscal flexibility. EVERY LITTLE BIT HELPS.

**Topic:** Charities, charitable giving and volunteerism

## Recommendation 3: Please provide a short summary of your recommendation.

CHARITIES TO FILE ELECTRONICALLY. I know charities don't have to file electronically as it might cost too much. Two years ago my charitable donations got audited because I gave too much(!). While I know there is charity tax fraud, my time and Canada Revenue Agency staff efforts wouldn't be wasted if at least large charities had to file electronically, even if in Excel spreadsheet on CD ROM. Almost all, and all the charities I give larger amounts to, would fit into this category: United Way, Foster Parents Plan, JDRF, etc. For small charities, CRA could create an easy-to-use portal.

**Expected cost or savings:** From the pull-down menus, please indicate the expected cost or savings of your recommendation to the federal government and the period of time to which the expected cost or savings is related.

$1 million-4.9 million

2 years

**Federal funding:** Please provide a precise indication of how the federal government could fund your recommendation. For example, indicate what federal spending should be reallocated, what federal tax measure(s) should be introduced, eliminated or changed, etc.

This would be self-funding as development would be offset by savings on manual data entry.

**Intended beneficiaries:** Please indicate the groups of individuals, the sector(s) and/or the regions that would benefit by implementation of your recommendation.

All taxpayers. Some CRA staff doing data entry would have less to do, however, CRA still has a long way to go before completely eliminating paper. Taxpayers would gain in savings and in, possibly, the earlier identification of tax schemes if charities had to provide and enter donations received during the year. Just as the compounding of interest for savers is good, the negative compounding of interest on debt for current consumption hurts the next generation.

**General impacts:** Depending on the nature of your recommendation, please indicate how the standard of living of Canadians would be improved, jobs would be created, people would be trained, etc.

Basic economics and self-evident to everyone who had to endure higher taxes and slower growth in the late 1980s and 1990s due to accumulated debt. And what we saw in the 2000s – growth, jobs, training opportunities and a continued high standard of living – was due to Canada's having paid down debt and having greater fiscal flexibility. EVERY LITTLE BIT HELPS.

Please use this page if you wish to provide more explanation about your recommendation(s).

GST. One item I didn't raise as a recommendation but think the Committee should discuss is rasing the GST by half a percentage point. I appreciate the honesty of the Conservative party following on a commitment, however, the GST with credit is the most progressive tax we have. Situations change. I think we need to raise that tax given the debt situation we are in. Once back in a surplus situation, and after we have built up a rainy day fund, the rate should drop again.

TFSAs. I am also not keen on putting the TFSA threshold to $10,000, a Conservative commitment for when the budget balances, until the Committee can study and report on what this means long term to tax revenues.

Courtesy. Finally, I watched one of last year's hearings. Could the House of Commons Finance Committee Members agree that when witnesses appear, the Members do not use the witnesses' time to try to score points off the other political parties? Last year's hearings seemed dominated by Conservative Member questions aimed at getting the answers the Members already knew and wanted to get on record, and less about learning more about suggestions put forward. The respect the Chair displays in questions might be emulated by others?

P.S. - I like this format for commenting, although it can be a bit tricky, as long as we can see what comments are received and who provides them. I guess you don't take hotmail because of possible viruses, but this adds to your work - maybe look at another way for people using home e-mails next year? Looking forward to consultation results.

*Please note that at least one recommendation must be provided